

BUILDING OPERATIONS MOVE BRISKLY ALONG IN CAPITAL CITY

E. W. Oyster Objects To Taxation Methods

Contents That System in Vogue in District Is Inequitable and Fosters "Tax Dodgers." Practices of Other Cities.

To the Editor of The Washington Times: That tax dodging, a species of graft, is one of the greatest evils of this day and generation is conceded by every honest man, and that Washington has its full quota of tax dodgers and grafters is self-evident. In my judgment the assessors are more responsible for this shameful condition of affairs than the owners of property, at least so far as real estate is concerned.

"It is not only wrong, but it is unsafe," said ex-President Harrison in a speech before the Union League Club of Chicago in 1888. "To make a show in our homes and on the street that is not made in the tax returns. This country cannot continue to exist half taxed and half free. Each person has a personal interest—a pecuniary interest—in the tax returns of his neighbor. We are members of a great partnership, and it is the right of each to know what every member is contributing to the partnership and what he is taking from it. It is not a private affair; it is a public concern of the first importance."

Thus encouraged by the words of the honest man and great statesman above quoted, I make bold to challenge the fairness of the past and present assessments of real estate and personal property in this District.

Testimony of Experts. In 1892, under oath before a select committee of the House of Representatives, appointed "to inquire into all alleged irregularities pertaining to assessments in the District of Columbia," Samuel Phillips, ex-president of the Washington and Georgetown Railroad Company, a large owner of real estate, and an expert on the value of such property, said: "I have been familiar with every assessment made in Washington during the past thirty years, and there has never been one which has not been viciously defective, bearing severely on some, who were generally the poorer class, and favoring the richer with large and important buildings."

A number of other experts on real estate values gave similar evidence before that committee, which is reported in House Report, No. 1489, Fifty-second Congress, first session.

Petworth Protests. With these statements in mind, and after investigation having reason to believe that all subsequent assessments had been "viciously defective," I introduced, and the Petworth Citizens' Association, in April, 1905, unanimously adopted, a series of resolutions setting forth the above facts, and requested the assessors to correct the injustice complained of by assessing all property equitably, on the basis of a "without fear or favor," as required by law.

The Assessor's Statement. In reply to these resolutions Hopewell H. Darnelle issued a statement addressed to the Commissioners in defense of the board of assessors, in which he asserted that certain statements in the resolutions of the Petworth Association were unjust and conveyed "an imputation" on the board of assessors "which is not only untrue, but is a reflection on the honor of the board."

The assessor of either real or personal property is in the abstract purely a matter of opinion based upon experience and comparison. It is not a science, and it is not a duty to defend the action of authorities intrusted with the assessment of real estate for the past thirty years, but with a full knowledge of the facts of this office, I can state that I know of no radical departures from what values should have been. In regard to the discrimination in favor of large holdings, it may or may not be that property for years has been assessed on a basis of opinion, and in a very large number of cases, very poor opinion, indeed.

If, with a full knowledge of the records of his office, the assessor knows of "no radical departures from what values should have been," then I respectfully suggest that he "store his mind with useful knowledge," by referring to House Report, No. 1489, above mentioned.

Disagrees With the Assessor. Notwithstanding Mr. Darnelle's assertion that "both large and small properties are assessed on the same basis," under the new assessment, an examination of the assessments on a large number of improvements in different sections of the city has demonstrated to my satisfaction that the assessments on that class of property vary from about 40 to 60 per cent of true value, and in exceptional cases still higher on small improvements, averaging about 50 per cent for the District, the advantage, as usual, being in favor of the larger and more valuable building.

Alleged Outrageous Discrimination. But, great as are the inequalities in the assessments of land in different sections of the city and county, and even in the same locality, are very much greater, and the discrimination in favor of the land speculator as against the home owner and home seeker is simply outrageous.

Land Values in New York. The last assessment in Greater New York shows that the value of land in that city is \$3,697,686,935, and of improvements \$1,100,657,854, or land values being 77 per cent of the whole.

Land Values in Washington. The value of the land in the District of Columbia is probably 75 per cent, certainly not less than two-thirds, of the total value of land and improvements, and should therefore bear not less than two-thirds of the tax on real estate. The total assessment on this class of property is \$239,461,985, the assessment on land being \$136,843,419, on improvements \$102,618,566. Had land and improvements been fairly assessed in proportion to value, the assessment on the land would have been not less than \$159,641,324 and on improvements not more than \$79,820,661. The discrimination against improvements and in favor of land could not be justified at any time, and surely cannot be justified now, as the law un-

der which the present assessment was made provides "that hereafter all real estate in the District of Columbia subject to taxation, including improvements thereon, shall be assessed at not less than two-thirds of the true value thereof, and shall be taxed 1 1/2 per cent upon the assessed valuation."

The law is both positive and clear, and was intended to prevent in the future the unjust discrimination in favor of land-grabbing syndicates, speculators, and monopolists. Had the assessors obeyed the law in making the assessment of real estate for the next three years' improvements would have been assessed at about \$125,000,000 and land at about \$275,000,000. This would have produced, at \$1.50 on the \$100, \$7,500,000, or about double the amount desired to be raised from that class of property. It is not necessary at this time to enter into a discussion as to whether or not the law is just, what it should be, but if the assessors, with the provisions above quoted "staring them in the face," assumed the responsibility of ignoring or evading it to the extent of raising only such an amount of revenue as they think necessary, then they should have ignored or evaded it to the same extent in favor of improvements as they have in favor of land.

Should Have a Square Deal.

An assessment of one-third the true value of land and improvements—say, \$125,000,000 on land and \$250,000,000 on improvements—would have raised a larger revenue than will be raised under the inequitable assessment made for the next three years. Such an assessment would probably raise a howl from those who are holding vacant land out of use for speculative purposes, but should, and no doubt would, meet with the approval of all owners of improved property who believe in the principles of justice and a "square deal."

The assertion that land values are not less than two-thirds the value of both land and improvements is based on actual sales in different sections of the District in comparison with assessed values.

Government Purchases.

For instance, the Government paid five and a half times more than the assessment for the land on which the new Government Printing Office stands, and three and a half times more than the assessment for the land on which the House and Senate buildings are being erected.

The assertion is frequently made that the price paid for land by the Government is not a fair test of true value, for the reason that the United States is alleged to be more generous in the purchase of such property than private parties. However that may be in other cities, the facts do not sustain that contention in regard to the District of Columbia.

Purchases by Private Parties.

The sale to private parties of 2,000 square feet of ground at the southwest corner of square 236, at Fourteenth and U streets, was noted in the city papers of August 26, 1905, and the price paid for the corner was given as \$19,000. The assessment on this land is \$2,300, and on the improvement, since torn down, was \$3,000. Assuming \$6,000 to have been the true value of the building, the amount paid for the land was \$12,000, or about four times the assessment.

By deeds placed on record in December, 1905, the Anheuser-Busch Brewing Association secured from the Baker's Co-operative Association, 11,000 square feet of ground at the southwest corner of North Capitol and F streets. The city papers of December 28 gave the price paid as \$55,000, or \$5 a foot. The assessment on 2,750 feet of this ground is 30 cents a foot and on the remainder, 8,250 feet—55 cents a foot, averaging 74 1/2 cents a foot, making the total assessment on the land \$7,837.50. The improvements are assessed at \$4,800. After deducting double the assessment on the improvements of little value to the purchasers from the total amount paid, it is seen that the price paid for the land was about \$4,125 a foot—nearly six times the assessment.

Land Values.

A comparison of the assessments with the selling prices of land will convince any fair-minded person that the above examples are not exceptions to the general rule, that is, that the selling price of land in the city, which must be somewhere near the true value, is not less than two and a half to four times the assessment on it, and that large and expensive improvements are assessed at from 10 to 30 per cent lower than small ones in proportion to value.

The land in the square immediately north of the Treasury Department is assessed at from \$4 to \$20 a square foot, the northwest corner of Fifteenth street and Pennsylvania avenue being the \$20 corner, and in the judgment of the assessors, the most valuable parcel of land in the District. It no doubt cost its present owners nearly three times the assessment.

Square No. 222, between Fourteenth and Fifteenth streets and H streets, is assessed at \$20 a square foot, the corner of Fourteenth and H streets being the \$20 corner, and in the judgment of the assessors, the most valuable parcel of land in the District. It no doubt cost its present owners nearly three times the assessment.

The Equitable Building ground at Fifteenth and G streets, is assessed at \$22 a foot, the Commercial Bank corner, Fourteenth and G, at \$20 a foot, and the Bond Building corner, at \$18 a foot. Taken as a whole, this square is said to be the most valuable piece of land in the city.

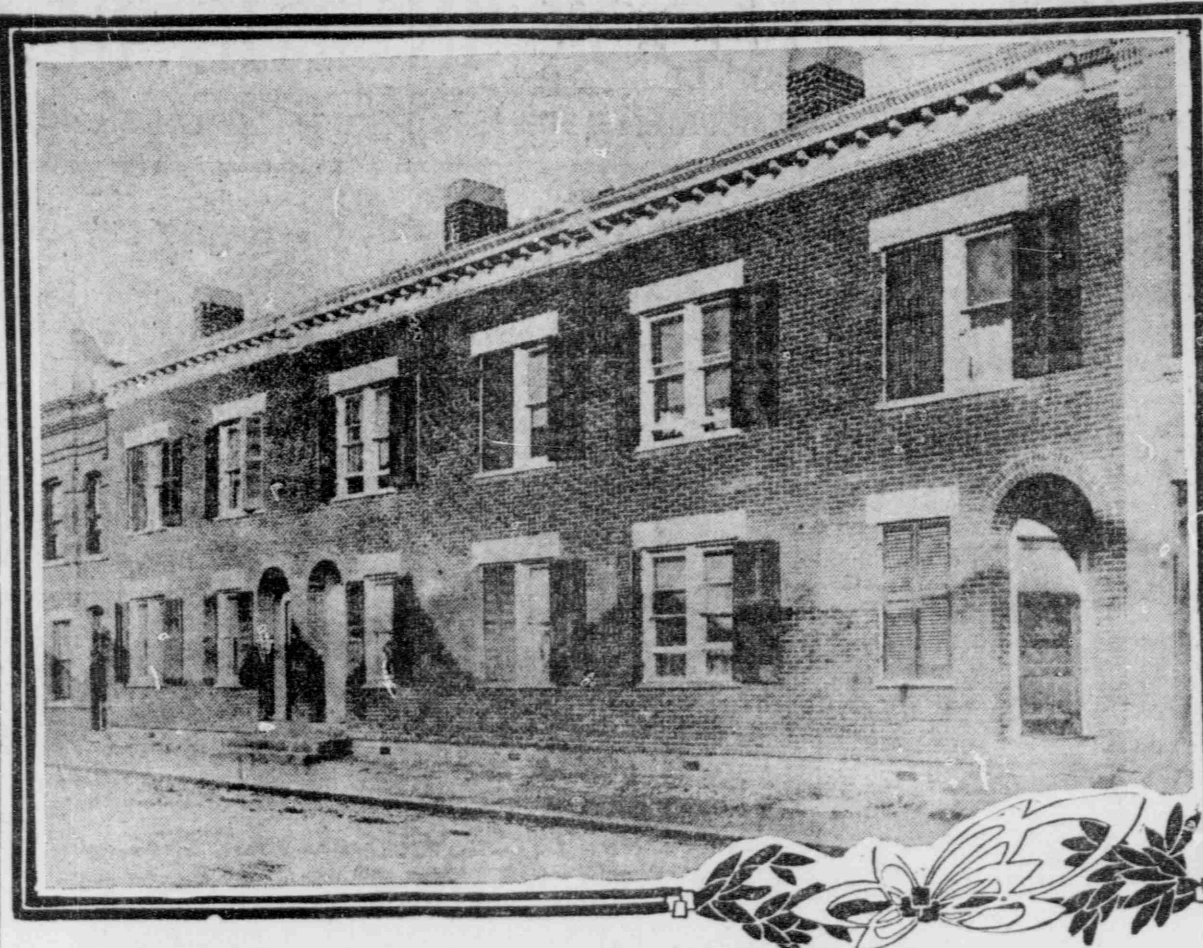
Assessments on Improvements. The assessments on improvements range from 40 to 60 per cent of true value, averaging about 50 per cent. The New Willard Hotel is assessed at \$200,000. The Colorado Building is assessed at \$550,000. The Star office and the Loan and Trust Building are each assessed at \$200,000, and are among the few large structures assessed up to the average of 50 per cent of true value. It is safe to say that neither the Willard Hotel nor the Colorado Building is assessed up to the average for improvements.

The most valuable private residences in the city stand on adjoining squares on the south side of Massachusetts avenue northwest. One is assessed at \$250,000 and the other at \$225,000, probably not more than one-third of their cost.

Outside of the city limits the discrim-

TWO-FAMILY SEATON STREET APARTMENTS

BUILT FOR HIGH-CLASS COLORED TENANTS



First-Class Flats For Colored Tenants

Young Boston Architect Building Two-Family Apartments for Them—Has Erected One House With Eight Flats.

Work has been in progress for about two weeks on a row of five two-family apartments which are being erected on First street, near I street southwest. The houses are intended for colored occupants, and several applications have already been made by prospective tenants for "refusals" of some of the flats. The houses were designed and are being built by Joseph J. Moebis, a well-known young architect and builder of Boston, Mass., who recently established himself in Washington. Mr. Moebis intends to hold the flats as an investment and is putting into them first-class material. He is personally conducting the building operations.

This class of structures is something of an innovation in Washington, so far as the colored population is concerned, but Mr. Moebis, who is a pioneer in the construction here of first-class apartments for colored tenants, declares himself perfectly satisfied with the result of his experiment. Within the few months that he has been operating in Washington, Mr. Moebis has erected an eight-flat apartment house on I street, near First street southwest, and a number of two-family apartments on Seaton street northwest. All these structures are intended for colored tenants, and are unique in many respects. They were designed with special regard to providing for the colored population, and are modern in every respect.

Innovation for Washington. The eight-flat building is the only one of that size in the city built for negroes. It is planned so as to have all outside rooms, thus affording extraordinary good ventilation and sunlight. The rooms are so arranged as to be accessible from the central hall, thus avoiding the long, dark, narrow passageways so often found in small apartment houses.

All the rooms are spacious, and the plumbing is all "open," thus insuring sanitary conditions. Each apartment has four rooms and a bath, and the entire building is fitted up with attractive gas fixtures. The entrance to the building is through a large concrete court onto which the apartments open, on the three sides of the court. The structure is of brick and finished in hardwood.

Carrying out his ideas as to sanitation in such houses, Mr. Moebis has arranged every room of the two-family apartments on Seaton street so that it is what would be called an "outside room."

Best Lighted and Ventilated. He says that the Seaton street houses are the best lighted and ventilated houses of the two-flat type in Washington. In them, as in the eight-flat apartment, each room branches from a central hall, thus again avoiding the objectionable, long, narrow hallway.

The houses now going up on First street southwest will each contain two four-room and bath apartments. The rooms will be large and the equipment will be of a high class. Each apartment is to have a large rear porch and yard.

Mr. Moebis, who is interested in providing good buildings for the colored population, contemplates the construction of a number of other flat buildings for the better element of them, some of which will be in the Northwest section. In addition to his buildings for colored people, he is also preparing plans for a large apartment house in the Northwest. This structure will be modern in every detail and will be for the best class of tenants.

MANUFACTURERS' RECORD ON STEEL PLANT MOVE

Trade Journal Gives What Is Stated to Be Authoritative Information—Figures Less Than Those Published.

Referring to the proposed coming to Washington of the Fifth-Sterling Steel Company, the Manufacturers' Record says:

"The Manufacturers' Record has received authoritative advice regarding the steel plant which the Fifth-Sterling Steel Company, of Pittsburgh, Pa., has been reported as to build at Washington, D. C. The company sells large amounts of material to the War Department of the Government, and the plant to be located in Washington will assist in meeting that demand. A site of about twenty-five acres on the Potomac river will be occupied, and there will be erected a 150,000-foot building and a 50,000-foot building, together with several smaller structures, all of substantial steel structure frames and brick walls. A modern equipment of machinery will be armor-piercing projectiles. Capacity and number of men to be employed cannot be stated as yet. J. R. Rose is the construction engineer in charge, and proposals for material are now being received. The Fifth-Sterling Steel Company was organized in 1895, and it has a large tool steel and armor projectile plant at Demmer, Pa. Its offices are at Pittsburgh, and Lewis J. Pirch is president."

MOORE & HILL REPORT SALES FOR LAST WEEK

The following sales were reported by the real estate corporation of Moore & Hill during last week: For Osterman & Butler, two of their new houses on Douglas street, which was formerly Welling place, Columbia Heights, for Harry Norman, 2415 Eighteenth street, Washington Heights, being the last remaining house unsold in this row; for Charles F. Wallraff, 208 R street northwest; for Mrs. Mary J. Walker, 101 V street northwest; for Harry W. Sherman, 29 U street northeast; to Edward S. Slacker, 153 Eleventh street northwest; for John F. Lynch, 1726 Newton street, formerly Howard avenue, Mt. Pleasant; for Osterman & Butler, the apartment building 1236 B street southwest; for Francis J. Carmody, two of his apartment buildings on N street, between Twenty-second and Twenty-third streets.

How to Beautify the Capital. If the exemption of only \$1,000 of the value of improvements would accomplish the good results predicted by the Board of Trade, then why not duplicate the good results by exempting \$2,000 of the value or go still further and get the full benefit by exempting improvements entirely from taxation and raise the needed revenue by a tax on land values, on franchises and on such occupations as it may be deemed wise to tax for the public welfare? Such a system of taxation would do more to eliminate our slums and beautify the National Capital in the next ten years than will be accomplished in the next fifty years under the present system.

However, what the people of the District now desire and should have, is an equitable assessment of property and an equitable distribution of the taxes paid into the District treasury.

How to Abolish Slums. In 1902 the Washington Board of Trade passed a resolution presented by its committee on taxation favoring the exemption to the extent of \$1,000 of the value of houses occupied by their owners, for the following, among other reasons:

"The effect of such exemption would be to increase the number of home owners in the District. * * * The construction of more and better houses will be stimulated and every industry connected therewith will feel the quickening effect of such a step, and the whole community consequently share in its benefits. * * * In facilitating the purchase by our citizens of better houses than they now occupy the tendency of this measure will be gradually but surely toward the abolition of slums and raising the standard of morality."

E. W. OYSTER.

January 1, 1906.

"LE DROIT BUILDING," OLDEST OFFICE BUILDING IN CITY



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PLANS FOR CAPITAL TRACTION IMPROVEMENTS

The Capital Traction Company, Thirty-sixth and M streets northwest, has had plans prepared by Wood, Donn & Deming, architects, for a car barn and office to be erected on Fourteenth street extended. The building will be 200x560 feet.

GUY NORMAN BUYS ON MASSACHUSETTS AVENUE

The property at 1725 Massachusetts avenue, comprising about 10,000 square feet, has been transferred to Guy Norman by Mrs. M. E. Sarah E. Cummings. The price, it is said, being \$90,000. The house, a modern structure, is surrounded by its own grounds. Every side has ample light and air.

WILL BUILD FOUR-STORY APARTMENT HOUSE HERE

Pluege, Leitz & Pluege will erect a four-story brick apartment house at 1861 Calvert street to cost about \$25,000. Appleton P. Clark, Jr., is the architect and builder.

VALUABLE CYPRESS TREE.

A certain cypress tree standing near Pinkhook, lumber estimators claim will furnish fully 3,000 superficial feet of lumber to the owner. From the ground to the first limb the apparent distance is 125 feet. This tree is a giant among giants and is perhaps several hundred years old. At present prices for timber this tree is worth \$135,000—Apalachicola (Fla.) Times.